

**LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT**  
**MINUTES OF REGULAR MEETING OF THE BOARD OF**  
**DIRECTORS**

DATE: January 22, 2019

TIME: 5:30 p.m.

PLACE: LACSD Blue Jay Board Room  
27307 St. Hwy. 189, Ste. 104  
Blue Jay, CA 92317

ATTENDANCE: ***Board Members Present:***  
Steve Boydston, Vice President  
Ryan Gross, Director  
Steve Keefe, Director  
John Wurm, President

***Board Members Absent:***  
None

***Others Present:***  
Catherine Cerri, General Manager  
Joseph Byrne, General Counsel  
Mike Blackwood, Field Operations Manager  
Matt Brooks, Operations Manager  
Kathleen Field, Board Secretary  
Aida Hercules-Dodaro, District Engineer  
John O'Brien, Finance Manager  
Natalie Potter, Human Resources Manager  
Elizabeth Wells, Customer Service Supervisor  
Members of the Public - 2  
Mountain News

The Meeting was called to Order at 5:30 p.m. by John Wurm, President, who led those present in the Pledge of Allegiance to the Flag of the United States of America. Board Secretary Field certified the proper posting of the Agenda and called the roll.

## APPROVAL OF AGENDA

The Board by general consensus approved the January 22, 2019 Regular Board Meeting agenda as presented.

## PUBLIC COMMENT

There was no Public Comment.

## CONSENT CALENDAR

Listed on the Consent Calendar were the following items for approval:

**1. Approval of Meeting Minutes.**

December 11, 2018 Regular Board Meeting Minutes

**2. Consider Accepting the North Bay Intake Pump Station Replacement Project No. 072 as Complete.**

**3. Consider Accepting Tract 7417 Manhole Rehabilitation 2018 Project No. 182 as Complete.**

Director Keefe **MOVED** and Vice President Boydston **SECONDED** to approve Consent Calendar Items 1- 3 as presented.

**CARRIED:**   **AYES:**        Boydston, Gross, Keefe, and Wurm  
                  **NOES:**         None  
                  **ABSTAIN:**   None  
                  **ABSENT:**     None

## INFORMATION AND DISCUSSION ITEMS

**4. Arrowhead Lake Association and Lake Arrowhead Community Services District Interface Committee Meeting Report.**

President Wurm gave a report on the December 12, 2018 Arrowhead Lake Association and the Lake Arrowhead Community Services District Interface Committee Meeting. The topics of discussion included aquatic invasive mussel species, lake level, ALA/LACSD Memorandum of Understanding, hydrology study, future well sites, and future agenda topics. President Wurm commented that it was a good meeting and that he was looking forward to working closer together.

**5. Departmental Reports.**

- a. District Engineer’s Report – Capital Improvement Program Update Fourth Quarter 2018
- b. Field Operations Manager’s 2018 Fourth Quarter Report
- c. Human Resources Manager’s Fourth Quarter 2018 Report
- d. Operations Manager’s Report

Staff responded to questions regarding the following Capital Improvement Projects: I & I Emergency Repair 2018 Brentwood Project 198, Cottage Grove Emergency Sewer Repair Project 199 and the Blue Jay Parking Lot Improvements Project 180. There were no questions on the Field Operations Manager’s or the Human Resources Manager’s report. Mr. Brooks stated that the plants did well during the four-day storm event and significant positive results was seen from the Field Operations inflow and infiltration maintenance. Mr. Brooks stated there were also positive results from preventative maintenance done by Operations staff. ADS will download the flow data at the end of month. Mr. Brooks informed the Board that Operations staff in preparation for the next storm were draining Willow Creek and storage. President Wurm asked that the Managers extend the Board’s thanks and appreciation for all their hard work.

**6. General Manager’s Report.**

There was no discussion or additional information added to the General Manager’s Report distributed in the agenda packet.

**ACTION ITEMS**

**7. Consider Filling the Lake Arrowhead Community Services District Board of Directors Vacancy by Appointment.**

Ms. Cerri reported that the Board had the option of filling the Board vacancy by appointment or call for an election, adding that the recommendation would be to appoint to fill the vacancy to expedite the process and avoid the election cost.

Following Board consideration, Director Keefe **MOVED** and Director Gross **SECONDED** to discuss and consider filling the Lake Arrowhead Community Services District Board of Directors vacancy by appointment.

<b><u>CARRIED:</u></b>	<b>AYES:</b>	<b>Boydston, Gross, Keefe, and Wurm</b>
	<b>NOES:</b>	<b>None</b>
	<b>ABSTAIN:</b>	<b>None</b>
	<b>ABSENT:</b>	<b>None</b>

**8. Consider Voting to Select a New Board Member to Fill the Vacancy on the Lake Arrowhead Community Services District Board of Directors.**

President Wurm referred to the resume from Robert Morris that was provided in the agenda packet. Ms. Cerri stated that the District had not received any other letters of interest. Mr. Morris addressed the Board providing his qualifications, background, and expressed his interests for being on Board of Directors.

Following Board consideration, Director Keefe **MOVED** and Director Gross **SECONDED** to appoint Robert Morris to fill the vacancy on the Lake Arrowhead Community Services District Board of Directors.

<b><u>CARRIED:</u></b>	<b>AYES:</b>	<b>Boydston, Gross, Keefe, and Wurm</b>
	<b>NOES:</b>	<b>None</b>
	<b>ABSTAIN:</b>	<b>None</b>
	<b>ABSENT:</b>	<b>None</b>

**9. Administer the Oath of Office.**

Ms. Field administered the Oath of Office to Robert Morris.

**10. Consider Designation of One Alternate to the Arrowhead Lake Association and Lake Arrowhead Community Services District Interface Committee.**

President Wurm stated it was necessary to designate one alternate to the Arrowhead Lake Association and Lake Arrowhead Community Services District Interface Committee. The alternate would attend in the absence of one of the current members; Steve Boydston or John Wurm.

Following Board consideration, Vice President Boydston **NOMINATED** Robert Morris and Director Keefe **SECONDED** to designate Robert Morris as the alternate to the Arrowhead Lake Association and Lake Arrowhead Community Services District Interface Committee.

<b><u>CARRIED:</u></b>	<b>AYES:</b>	<b>Boydston, Gross, Keefe, Morris, and Wurm</b>
	<b>NOES:</b>	<b>None</b>
	<b>ABSTAIN:</b>	<b>None</b>
	<b>ABSENT:</b>	<b>None</b>

**11. Consider Approval of a Four-Year Memorandum of Understanding Between Lake Arrowhead Community Services District and the Managers, Supervisors and Confidential Employees Unit.**

President Wurm stated that the Board had discussed the Memorandum of Understanding Between Lake Arrowhead Community Services District and the Managers, Supervisors and Confidential Employees Unit in closed session extensively, and had a tentative agreement subject to Board approval.

Following Board consideration, Director Keefe **MOVED** and Director Gross **SECONDED** to approve the Four-Year Memorandum of Understanding Between Lake Arrowhead Community Services District and the Managers, Supervisors and Confidential Employees Unit as presented.

**CARRIED:**        **AYES:**        **Boydston, Gross, Keefe, and Wurm**  
                         **NOES:**        **None**  
                         **ABSTAIN:**    **Morris**  
                         **ABSENT:**     **None**

**12. Consider Approving a Revised 2019 Managers, Supervisors and Confidential Employees Unit Salary Schedule.**

President Wurm stated that this was a companion to Item 11, the approval of the Memorandum of Understanding between Lake Arrowhead Community Services District and Managers, Supervisors and Confidential Employees Unit. Ms. Cerri added that the proposed salary schedule was for the first year of the contract.

Following Board consideration, Director Gross **MOVED** and Director Keefe **SECONDED** to approve the revised 2019 Managers, Supervisors and Confidential Employees Unit Salary Schedule.

**CARRIED:**        **AYES:**        **Boydston, Gross, Keefe, and Wurm**  
                         **NOES:**        **None**  
                         **ABSTAIN:**    **Morris**  
                         **ABSENT:**     **None**

**13. Consider Adopting Resolution No. 2019-01 Appointing the Finance Manager to Serve as the Treasurer to the Board of Directors.**

Ms. Cerri reported that John O'Brien was hired as the Finance Manager and it was the District's policy to appoint the Finance Manager to serve as the Treasurer. The District was required under the Government Code that the County Treasurer would serve as the Treasurer of the District or the Board can appoint a Treasurer to serve in place of the County Treasurer.

Following Board consideration, Director Keefe **MOVED** and Vice President Boydston **SECONDED** to adopt Resolution No. 2019-01 Appointing the Finance Manager to serve as the Treasurer to the Board of Directors.

Ms. Field took a roll call vote as follows:

**CARRIED:**        **AYES:**        **Boydston, Gross, Keefe, Morris, and Wurm**  
                         **NOES:**        **None**  
                         **ABSTAIN:**    **None**  
                         **ABSENT:**     **None**

**14. Consider Budget with Arrowhead Lake Association for Fiscal Year 2019/2020 Joint Lake Operation Costs.**

Ms. Cerri reported that the Budget with Arrowhead Lake Association (ALA) for the shared Lake Operation Costs was required under the agreement and was to be submitted every year to the Board for approval. The expenditures would be brought back to the Board for approval. Ms. Cerri briefly went over the ALA planned projects and responded to questions.

Following Board consideration, Director Keefe **MOVED** and Vice President Boydston **SECONDED** to approve the Budget with Arrowhead Lake Association for Fiscal Year 2019/2020 Joint Lake Operation Costs.

<b><u>CARRIED:</u></b>	<b>AYES:</b>	<b>Boydston, Gross, Keefe, Morris, and Wurm</b>
	<b>NOES:</b>	<b>None</b>
	<b>ABSTAIN:</b>	<b>None</b>
	<b>ABSENT:</b>	<b>None</b>

**15. Consider Approving Additional Warranty Contract with Zenner Performance.**

Ms. Wells presented the recommendation that the Board of Directors approves the additional Warranty Contract with Zenner Performance. Ms. Wells went over the previous Datamatic and Zenner agreements and cost associated with extending the warranty. Ms. Wells and Ms. Cerri responded to questions.

Following Board consideration, Director Gross **MOVED** and Director Keefe **SECONDED** to approve additional Warranty Contract with Zenner Performance.

<b><u>CARRIED:</u></b>	<b>AYES:</b>	<b>Boydston, Gross, Keefe, Morris, and Wurm</b>
	<b>NOES:</b>	<b>None</b>
	<b>ABSTAIN:</b>	<b>None</b>
	<b>ABSENT:</b>	<b>None</b>

**16. Consider Awarding a Procurement Contract for the Provision of three (3) Replacement Pumps for Wastewater Pump Station #5A, Project No. 188.**

Mr. Brooks presented the recommendation to award a procurement contract for the provision of three replacement pumps for the Wastewater Pump Station #5A. Mr. Brooks noted that Wastewater Pump Station #5A, the second largest pump station in the District, located in Orchard Bay, has been in service for over 30 years and the original pumps have fulfilled their useful life. District Staff would be installing all new equipment for the project including LED lighting upgrades.

Following Board consideration, Director Keefe **MOVED** and Director Gross **SECONDED** to award a Procurement Contract for the Provision of three Replacement Pumps for Wastewater Pump Station #5A, Project No. 188.

**CARRIED:**        **AYES:**        **Boydston, Gross, Keefe, Morris, and Wurm**  
                         **NOES:**        **None**  
                         **ABSTAIN:**    **None**  
                         **ABSENT:**     **None**

**17. Consider Authorizing the Execution of a Contract for Natural Gas Service for the New District Facility at 29424 Rouse Ranch Road.**

Mr. Blackwood presented the recommendation that the Board of Directors authorize the General Manager to execute a contract with Southern California Gas Company for \$189,759.93 for natural gas service to the new District Facility located at 29424 Rouse Ranch Road, pending review by Best Best & Krieger. Mr. Blackwood informed the Board that subsequent to the agenda posting, Southern California Gas Company provided two options; option 1) was a 50% reduction to the \$189,759.93; and option 2) a flow back allowance. District staff recommended option 1, the 50% reduction. A question and answer period ensued.

Following Board consideration, Director Keefe, **MOVED** and Director Morris **SECONDED** to authorize the execution of a contract using the \$186,759.93 for natural gas service for the New District Facility at 29424 Rouse Ranch Road, but preferring to not have flow back and have the significantly less option at half the cost and a contingency of not to exceed 10% above the \$186, 759.93.

**CARRIED:**        **AYES:**        **Boydston, Gross, Keefe, Morris, and Wurm**  
                         **NOES:**        **None**  
                         **ABSTAIN:**    **None**  
                         **ABSENT:**     **None**

**BOARD MEMBER MEETINGS**

No Board members requested to attend any meeting.

**BOARD MEMBER COMMENTS**

There were no Board member comments.

**CLOSED SESSION**

The Board, Mr. Byrne, and Ms. Cerri went into Closed Session at 6:30 p.m. to discuss items 1-2.

1. **Conference with Legal Counsel - Existing Litigation.**  
(Paragraph (1) of subdivision (d) of Section 54956.9)  
Name of case: The City of Hesperia v. Lake Arrowhead Community Services District, et al., Case No. CIVDS160201
  
2. **Conference with Legal Counsel – Anticipated Litigation.**  
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code section 54956.9: (One case)

**OPEN SESSION**

The Board came out of Closed Session at approximately 6:43 p.m. Mr. Byrne announced that there were no reportable actions taken in the Closed Session.

**ADJOURNMENT**

Director Morris **MOVED** and Vice President Boydston **SECONDED** to adjourn the meeting. The meeting adjourned at approximately 6:43 p.m.

**CARRIED:**    **AYES:**        **Boydston, Gross, Keefe, Morris, and Wurm**  
                  **NOES:**         **None**  
                  **ABSTAIN:**    **None**  
                  **ABSENT:**     **None**

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Kathleen Field, Board Secretary